



Public Law 93-233  
93rd Congress, H. R. 11333  
December 31, 1973

An Act

87 STAT. 947

To provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Social security  
benefits,  
increase.

INTERIM COST-OF-LIVING INCREASES IN SOCIAL SECURITY BENEFITS

SECTION 1. (a) Section 201(a)(1) of Public Law 93-66 is amended by striking out "the percentage by which" and all that follows and inserting in lieu thereof the following: "7 per centum."

Ante, p. 152.

(b) Section 201(a)(2) of Public Law 93-66 is amended—

(1) by striking out "May 1974" each place it appears and inserting in lieu thereof "February 1974"; and

(2) by striking out "January 1975" each place it appears and inserting in lieu thereof "June 1974".

(c) Section 201(b) of Public Law 93-66 is amended to read as follows:

"(b) The increase in social security benefits authorized under this section shall be provided, and any determinations by the Secretary in connection with the provision of such increase in benefits shall be made, in the manner prescribed in section 215(i) of the Social Security Act for the implementation of cost-of-living increases authorized under title II of such Act, except that—

86 Stat. 412.  
42 USC 415.

"(1) the amount of such increase shall be 7 per centum,

"(2) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(e) of such Act for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act), including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act as amended by this section, such increase shall be determined without regard to paragraph (2)(B) of such section 202(e), and

42 USC 402.  
42 USC 423.  
42 USC 415.  
42 USC 402.

"(3) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(f) of such Act for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act), including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act as amended by this section, such increase shall be determined without regard to paragraph (3)(B) of such section 202(f)."

(d) Section 201(c)(2) of Public Law 93-66 is amended by striking out "May 1974" and inserting in lieu thereof "February 1974".

Ante, p. 152.

(e) Section 201(d) of Public Law 93-66 is amended by striking out "December 1974" each place it appears and inserting in lieu thereof "May 1974".

(f) Section 202(e) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

81 Stat. 829.

"(7) In the case of an individual entitled to monthly insurance benefits payable under this section for any month prior to January 1973 whose benefits were not redetermined under section 102(g) of the Social Security Amendments of 1972, such benefits shall not be redetermined pursuant to such section, but shall be increased pursuant to any general benefit increase (as defined in section 215(i)(3)) or any increase in benefits made under or pursuant to section 215(i), including for this purpose the increase provided effective for March 1974, as though such redetermination had been made."

86 Stat. 1338.

42 USC 415.

87 STAT. 948

81 Stat. 830.  
42 USC 402.

(g) Section 202(f) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

86 Stat. 1338.

42 USC 415.

“(8) In the case of an individual entitled to monthly insurance benefits payable under this section for any month prior to January 1973 whose benefits were not redetermined under section 102(g) of the Social Security Amendments of 1972, such benefits shall not be redetermined pursuant to such section, but shall be increased pursuant to any general benefit increase (as defined in section 215(i) (3) or any increase in benefits made under or pursuant to section 215(i), including for this purpose the increase provided effective for March 1974, as though such redetermination had been made.”

86 Stat. 1333.

(h) (1) Section 215(a) (3) of the Social Security Act is amended by striking out “\$8.50” and inserting in lieu thereof “\$9.00”.

(2) The amendment made by paragraph (1) shall be effective with respect to benefits payable for months after February 1974.

53 Stat. 1362.

42 USC 401.

64 Stat. 487.

42 USC 402,

423.

86 Stat. 1338.

(i) In the case of an individual to whom monthly benefits are payable under title II of the Social Security Act for February 1974 (without the application of section 202(j) (1) or 223(b) of such Act), and to whom section 202(m) of such Act is applicable for such month, such section shall continue to be applicable to such benefits for the months of March through May 1974 for which such individual remains the only individual entitled to a monthly benefit on the basis of the wages and self-employment income of the deceased insured individual.

ELEVEN-PERCENT INCREASE IN SOCIAL SECURITY BENEFITS.

86 Stat. 406.

42 USC 415.

SEC. 2. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

“TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

“I  (Primary insurance benefit under 1939 Act, as modified)		II  (Primary insurance amount effective for September 1972)	III  (Average monthly wage)		IV  (Primary insurance amount)	V  (Maximum family benefits)
“If an individual’s primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
“At least—	But not more than—		At least—	But not more than—		
“-----	\$16. 20	\$84. 50	-----	\$76	\$93. 80	\$140. 80
\$16. 21	16. 84	85. 80	\$77	78	95. 30	143. 00
16. 85	17. 60	87. 80	79	80	97. 50	146. 30
17. 61	18. 40	89. 40	81	81	99. 30	149. 00
18. 41	19. 24	91. 00	82	83	101. 10	151. 70
19. 25	20. 00	92. 90	84	85	103. 20	154. 80
20. 01	20. 64	94. 60	86	87	105. 10	157. 70
20. 65	21. 28	96. 20	88	89	106. 80	160. 20
21. 29	21. 88	98. 10	90	90	108. 90	163. 40
21. 89	22. 28	99. 80	91	92	110. 80	166. 20
22. 29	22. 68	101. 40	93	94	112. 60	169. 00
22. 69	23. 08	103. 00	95	96	114. 40	171. 60
23. 09	23. 44	104. 90	97	97	116. 50	174. 80
23. 45	23. 76	106. 70	98	99	118. 50	177. 80
23. 77	24. 20	108. 80	100	101	120. 80	181. 20
24. 21	24. 60	110. 30	102	102	122. 50	183. 80
24. 61	25. 00	112. 10	103	104	124. 50	186. 80
25. 01	25. 48	114. 20	105	106	126. 80	190. 20
25. 49	25. 92	116. 00	107	107	128. 80	193. 20
25. 93	26. 40	117. 90	108	109	130. 90	196. 40
26. 41	26. 94	119. 70	110	113	132. 90	199. 40



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"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM  
FAMILY BENEFITS—Continued

I  (Primary insurance benefit under 1939 Act, as modified)		II  (Primary insurance amount effective for September 1972)	III  (Average monthly wage)		IV  (Primary insurance amount)	V  (Maximum family benefits)
"If an individual's pri- mary insurance benefit (as determined under subsec. (d)) is—		Or his pri- mary insur- ance amount (as deter- mined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits pay- able (as pro- vided in sec. 203(a)) on the basis of his wages and self- employment income shall be—
"At least—	But not more than—		At least—	But not more than—		
\$26.95	\$27.46	\$121.40	\$114	\$118	\$134.80	\$202.20
27.47	28.00	123.30	119	122	136.90	205.40
28.01	28.68	125.10	123	127	138.90	208.40
28.69	29.25	127.10	128	132	141.10	211.70
29.26	29.68	128.80	133	136	143.00	214.50
29.69	30.36	130.50	137	141	144.90	217.40
30.37	30.92	132.50	142	146	147.10	220.70
30.93	31.36	134.30	147	150	149.10	223.70
31.37	32.00	136.00	151	155	151.00	226.50
32.01	32.60	138.00	156	160	153.20	229.80
32.61	33.20	139.70	161	164	155.10	232.70
33.21	33.88	141.60	165	169	157.20	235.80
33.89	34.50	143.40	170	174	159.20	238.90
34.51	35.00	145.20	175	178	161.20	241.80
35.01	35.80	147.20	179	183	163.40	245.10
35.81	36.40	148.80	184	188	165.20	247.80
36.41	37.08	150.90	189	193	167.50	251.40
37.09	37.60	152.70	194	197	169.50	254.40
37.61	38.20	154.40	198	202	171.40	257.10
38.21	39.12	156.40	203	207	173.70	260.60
39.13	39.68	158.20	208	211	175.70	263.60
39.69	40.33	159.80	212	216	177.40	266.10
40.34	41.12	161.80	217	221	179.60	269.40
41.13	41.76	163.60	222	225	181.60	272.40
41.77	42.44	165.50	226	230	183.80	275.70
42.45	43.20	167.30	231	235	185.80	278.70
43.21	43.76	169.40	236	239	188.10	282.20
43.77	44.44	171.00	240	244	189.90	286.20
44.45	44.88	172.70	245	249	191.70	292.10
44.89	45.60	174.80	250	253	194.10	296.80
		176.60	254	258	196.10	302.60
		178.10	259	263	197.70	308.40
		180.20	264	267	200.10	313.10
		182.00	268	272	202.10	319.00
		183.90	273	277	204.20	324.80
		185.70	278	281	206.20	329.50
		187.50	282	286	208.20	335.40
		189.50	287	291	210.40	341.30
		191.10	292	295	212.20	345.90
		193.10	296	300	214.40	351.70
		194.90	301	305	216.40	357.60
		196.60	306	309	218.30	362.40
		198.60	310	314	220.50	368.20
		200.30	315	319	222.40	374.10
		202.00	320	323	224.30	378.80
		204.00	324	328	226.50	384.70
		205.80	329	333	228.50	390.50
		207.90	334	337	230.80	395.20
		209.40	338	342	232.50	401.00
		211.20	343	347	234.50	406.90
		213.30	348	351	236.80	411.50
		215.00	352	356	238.70	417.40
		217.00	357	361	240.90	423.30
		218.70	362	365	242.80	428.00
		220.40	366	370	244.70	433.80
		222.40	371	375	246.90	439.60
		224.20	376	379	248.90	444.50
		226.20	380	384	251.10	450.30
		227.80	385	389	252.90	456.10
		229.60	390	393	254.90	460.80
		231.60	394	398	257.10	466.70
		233.30	399	403	259.00	472.60
		235.40	404	407	261.30	477.20
		236.90	408	412	263.00	483.10
		238.60	413	417	264.90	488.90
		240.30	418	421	266.80	493.60
		242.20	422	426	268.90	499.40
		243.80	427	431	270.70	505.30
		245.40	432	436	272.40	511.20
		247.40	437	440	274.70	513.50
		248.90	441	445	276.30	516.50

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“TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

“I (Primary insurance benefit under 1939 Act, as modified)		II (Primary insurance amount effective for September 1972)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
“If an individual’s primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
“At least—	But not more than—		At least—	But not more than—		
		\$250.60	\$446	\$450	\$278.20	\$519.40
		252.50	451	454	280.30	521.70
		254.10	455	459	282.10	524.60
		255.80	460	464	284.00	527.50
		257.40	465	468	285.80	530.00
		259.40	469	473	288.00	532.80
		260.90	474	478	289.60	535.80
		262.60	479	482	291.50	538.20
		264.50	483	487	293.60	541.20
		266.10	488	492	295.40	544.10
		267.80	493	496	297.30	546.40
		269.70	497	501	299.40	549.30
		271.20	502	506	301.10	552.20
		272.90	507	510	303.00	554.60
		274.60	511	515	304.90	557.50
		276.40	516	520	306.90	560.50
		278.10	521	524	308.70	562.70
		279.80	525	529	310.60	565.70
		281.70	530	534	312.70	568.60
		283.20	535	538	314.40	571.00
		284.90	539	543	316.30	573.90
		286.80	544	548	318.40	576.80
		288.40	549	553	320.20	579.80
		290.10	554	556	322.10	581.50
		291.50	557	560	323.60	583.90
		293.10	561	563	325.40	585.70
		294.60	564	567	327.10	588.00
		296.20	568	570	328.80	589.80
		297.60	571	574	330.40	592.00
		299.20	575	577	332.20	593.90
		300.60	578	581	333.70	596.10
		302.20	582	584	335.50	597.90
		303.60	585	588	337.00	600.30
		305.30	589	591	338.90	602.00
		306.80	592	595	340.60	604.40
		308.30	596	598	342.30	606.10
		309.80	599	602	343.90	608.60
		311.30	603	605	345.60	610.30
		312.80	606	609	347.30	612.50
		314.40	610	612	349.00	614.40
		315.90	613	616	350.70	616.70
		317.40	617	620	352.40	619.10
		318.90	621	623	354.00	620.80
		320.40	624	627	355.70	623.20
		321.90	628	630	357.40	625.30
		323.40	631	634	359.00	628.40
		325.00	635	637	360.80	631.30
		326.60	638	641	362.60	634.40
		328.00	642	644	364.10	637.20
		329.60	645	648	365.90	640.30
		331.00	649	652	367.50	643.10
		332.00	653	656	368.60	645.00
		332.90	657	660	369.60	646.70
		334.10	661	665	370.90	649.10
		335.30	666	670	372.20	651.40
		336.50	671	675	373.60	653.70
		337.70	676	680	374.90	656.10
		338.90	681	685	376.20	658.40
		340.10	686	690	377.60	660.70
		341.30	691	695	378.90	663.10
		342.50	696	700	380.20	665.40
		343.70	701	705	381.60	667.70
		344.90	706	710	382.90	670.00
		346.10	711	715	384.20	672.40
		347.30	716	720	385.60	674.70
		348.50	721	725	386.90	677.00
		349.70	726	730	388.20	679.40
		350.90	731	735	389.50	681.70
		352.10	736	740	390.90	684.00
		353.30	741	745	392.20	686.40
		354.50	746	750	393.50	688.70

“TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

“I (Primary insurance benefit under 1939 Act, as modified)		II (Primary insurance amount effective for September 1972)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
“If an individual’s primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
“At least—	But not more than—		At least—	But not more than—		
		\$355.50	\$751	\$755	\$394.70	\$690.70
		356.50	756	760	395.80	692.60
		357.50	761	765	396.90	694.60
		358.50	766	770	398.00	696.50
		359.50	771	775	399.10	698.50
		360.50	776	780	400.20	700.30
		361.50	781	785	401.30	702.30
		362.50	786	790	402.40	704.20
		363.50	791	795	403.50	706.20
		364.50	796	800	404.60	708.10
		365.50	801	805	405.80	710.10
		366.50	806	810	406.90	712.00
		367.50	811	815	408.00	714.00
		368.50	816	820	409.10	715.90
		369.50	821	825	410.20	717.90
		370.50	826	830	411.30	719.80
		371.50	831	835	412.40	721.80
		372.50	836	840	413.50	723.70
		373.50	841	845	414.60	725.70
		374.50	846	850	415.70	727.50
		375.50	851	855	416.90	729.50
		376.50	856	860	418.00	731.40
		377.50	861	865	419.10	733.40
		378.50	866	870	420.20	735.30
		379.50	871	875	421.30	737.30
		380.50	876	880	422.40	739.20
		381.50	881	885	423.50	741.20
		382.50	886	890	424.60	743.10
		383.50	891	895	425.70	745.10
		384.50	896	900	426.80	747.00
		385.50	901	905	428.00	749.00
		386.50	906	910	429.10	750.90
		387.50	911	915	430.20	752.90
		388.50	916	920	431.30	754.70
		389.50	921	925	432.40	756.70
		390.50	926	930	433.50	758.60
		391.50	931	935	434.60	760.60
		392.50	936	940	435.70	762.50
		393.50	941	945	436.80	764.50
		394.50	946	950	437.90	766.40
		395.50	951	955	439.10	768.40
		396.50	956	960	440.20	770.30
		397.50	961	965	441.30	772.30
		398.50	966	970	442.40	774.20
		399.50	971	975	443.50	776.20
		400.50	976	980	444.60	778.00
		401.50	981	985	445.70	780.00
		402.50	986	990	446.80	781.90
		403.50	991	995	447.90	783.90
		404.50	996	1,000	449.00	785.80
			1,001	1,005	450.00	787.50
			1,006	1,010	451.00	789.30
			1,011	1,015	452.00	791.00
			1,016	1,020	453.00	792.80
			1,021	1,025	454.00	794.50
			1,026	1,030	455.00	796.30
			1,031	1,035	456.00	798.00
			1,036	1,040	457.00	799.80
			1,041	1,045	458.00	801.50
			1,046	1,050	459.00	803.30
			1,051	1,055	460.00	805.00
			1,056	1,060	461.00	806.80
			1,061	1,065	462.00	808.50
			1,066	1,070	463.00	810.30
			1,071	1,075	464.00	812.00
			1,076	1,080	465.00	813.80
			1,081	1,085	466.00	815.50
			1,086	1,090	467.00	817.30
			1,091	1,095	468.00	819.00
			1,096	1,100	469.00	820.80.”



87 STAT. 952

Effective date.

86 Stat. 411.

42 USC 427,

428.

42 USC 415.

(b) (1) Effective June 1, 1974, sections 227 and 228 of the Social Security Act are amended by striking out "\$58.00" wherever it appears and inserting in lieu thereof "the larger of \$64.40 or the amount most recently established in lieu thereof under section 215(i)", and by striking out "\$29.00" wherever it appears and inserting in lieu thereof "the larger of \$32.20 or the amount most recently established in lieu thereof under section 215(i)".

Repeal.

86 Stat. 412.

(2) Section 202(a)(4) of Public Law 92-336 is hereby repealed.

(c) The amendment made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after May 1974, and with respect to lump-sum death payments under section 202(i) of such Act in the case of deaths occurring after such month.

53 Stat. 1362.

42 USC 401.

74 Stat. 947;

85 Stat. 802.

86 Stat. 416.

(d) Section 202(a)(3) of Public Law 92-336 is amended by striking out "January 1, 1975" in subparagraphs (A), (B), and (C) and inserting in lieu thereof in each instance "June 1, 1974".

#### MODIFICATION OF COST-OF-LIVING BENEFIT INCREASE PROVISIONS

86 Stat. 412.

42 USC 415.

SEC. 3. (a) Clause (i) of section 215(i)(1)(A) of the Social Security Act is amended to read as follows: "(i) the calendar quarter ending on March 31 in each year after 1974, or".

(b) Clause (ii) of section 215(i)(1)(B) of such Act is amended by striking out "in which a law" and all that follows and inserting in lieu thereof "if in the year prior to such year a law has been enacted providing a general benefit increase under this title or if in such prior year such a general benefit increase becomes effective; and".

(c) Section 215(i)(2)(A)(i) of such Act is amended by striking out "1974" and inserting in lieu thereof "1975", and by striking out "and to subparagraph (E) of this paragraph".

(d) Section 215(i)(2)(A)(ii) of such Act is amended—

(1) by striking out "such base quarter" and inserting in lieu thereof "the base quarter in any year";

(2) by striking out "January of the next calendar year" and inserting in lieu thereof "June of such year"; and

(3) by striking out "(subject to subparagraph (E))".

(e) Section 215(i)(2)(B) of such Act is amended by striking out "December" each place it appears and inserting in lieu thereof "May", and by striking out "(subject to subparagraph (E))".

(f) Section 215(i)(2)(C)(ii) of such Act is amended by striking out "on or before August 15 of such calendar year" and inserting in lieu thereof "within 30 days after the close of such quarter".

(g) Section 215(i)(2)(D) of such Act is amended by striking out "on or before November 1 of such calendar year" and inserting in lieu thereof "within 45 days after the close of such quarter".

(h) Section 215(i)(2) of such Act is amended by striking out subparagraph (E).

Post, p. 953.

86 Stat. 417.

42 USC 430.

(i) For purposes of section 203(f)(8), so much of section 215(i)(1)(B) as follows the semicolon, and section 230(a) of the Social Security Act, the increase in benefits provided by section 2 of this Act shall be considered an increase under section 215(i) of the Social Security Act.

(j) (1) Section 230(a) of such Act is amended—

(A) by striking out "with the first month of the calendar year" and inserting in lieu thereof "with the June"; and

(B) by striking out "(along with the publication of such benefit increase as required by section 215(i)(2)(D))" and by striking out "(unless such increase in benefits is prevented from becoming effective by section 215(i)(2)(E))".

(2) Section 230(c) of such Act is amended by striking out "the first month" and inserting in lieu thereof "the June". 86 Stat. 417.  
42 Stat. 430.

(k)(1) Section 203(f)(8)(A) of such Act is amended to read as follows: 86 Stat. 1342.  
42 USC 403.

"(A) Whenever the Secretary pursuant to section 215(i) increases benefits effective with the month of June following a cost-of-living computation quarter he shall also determine and publish in the Federal Register on or before November 1 of the calendar year in which such quarter occurs a new exempt amount which shall be effective (unless such new exempt amount is prevented from becoming effective by subparagraph (C) of this paragraph) with respect to any individual's taxable year which ends after the calendar year in which such benefit increase is effective (or, in the case of an individual who dies during the calendar year after the calendar year in which the benefit increase is effective, with respect to such individual's taxable year which ends, upon his death, during such year).". 42 USC 415.

(2) Section 203(f)(8)(B) of such Act is amended by striking out "no later than August 15 of such year" and inserting in lieu thereof "within 30 days after the close of the base quarter (as defined in section 215(i)(1)(A)) in such year".

(3) Section 203(f)(8)(C) is amended by striking out "or providing a general benefit increase under this title (as defined in section 215(i)(3))".

#### SUPPLEMENTAL SECURITY INCOME BENEFITS

SEC. 4. (a)(1) Section 210(c) of Public Law 93-66 is amended by striking out "June 1974" and inserting in lieu thereof "December 1973". Ante, p. 154.

(2) Section 211(a)(1)(A) of Public Law 93-66 is amended by striking out "(\$780 in the case of any period prior to July 1974)".

(b) Effective with respect to payments for months after June 1974—

(1) section 1611(a)(1)(A) and section 1611(b)(1) of the Social Security Act (as enacted by section 301 of the Social Security Amendments of 1972 and amended by section 210 of Public Law 93-66) are each amended by striking out "\$1,680" and inserting in lieu thereof "\$1,752";

86 Stat. 1466;  
Ante, p. 154.  
42 USC 1382.

(2) section 1611(a)(2)(A) and section 1611(b)(2) of such Act (as so enacted and amended) are each amended by striking out "\$2,520" and inserting in lieu thereof "\$2,628"; and

(3) section 211(a)(1)(A) of Public Law 93-66 (as amended by subsection (a)(2) of this section) is amended by striking out "\$840" and inserting in lieu thereof "\$876".

#### INCREASE IN EARNINGS BASE

SEC. 5. (a)(1) Section 209(a)(8) of the Social Security Act is amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200". Ante, p. 153.

(2) Section 211(b)(1)(H) of such Act is amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200".

(3) Sections 213(a)(2)(ii) and 213(a)(2)(iii) of such Act are each amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200".

(4) Section 215(e)(1) of such Act is amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200".



87 STAT. 954

Ante, p. 453.

Effective date.

86 Stat. 419.

26 USC 3121.

(b) (1) Section 1402(b) (1) (H) of the Internal Revenue Code of 1954 (relating to definition of self-employment income) is amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200".

(2) Effective with respect to remuneration paid after 1973, section 3121(a) (1) of such Code is amended by striking out the dollar amount each place it appears therein and inserting in lieu thereof "\$13,200".

(3) Effective with respect to remuneration paid after 1973, the second sentence of section 3122 of such Code is amended by striking out the dollar amount and inserting in lieu thereof "\$13,200".

(4) Effective with respect to remuneration paid after 1973, section 3125 of such Code is amended by striking out the dollar amount each place it appears in subsections (a), (b), and (c) and inserting in lieu thereof "\$13,200".

(5) Section 6413(c) (1) of such Code (relating to special refunds of employment taxes) is amended by striking out "\$12,600" each place it appears and inserting in lieu thereof "\$13,200".

(6) Section 6413(c) (2) (A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200".

(7) Effective with respect to taxable years beginning after 1973, section 6654(d) (2) (B) (ii) of such Code (relating to failure by individual to pay estimated income tax) is amended by striking out the dollar amount and inserting in lieu thereof "\$13,200".

(c) Section 230(c) of the Social Security Act is amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200".

(d) Paragraphs (2) (C), (3) (C), (4) (C), and (7) (C) of section 203(b) of Public Law 92-336 are each amended by striking out "\$12,600" and inserting in lieu thereof "\$13,200".

Effective date.

(e) The amendments made by this section, except subsection (a) (4), shall apply only with respect to remuneration paid after, and taxable years beginning after, 1973. The amendments made by subsection (a) (4) shall apply with respect to calendar years after 1973.

(f) The amendments made by this section to provisions of the Social Security Act, the Internal Revenue Code of 1954, and Public Law 92-336 shall be deemed to be made to such provisions as amended by section 203 of Public Law 93-66.

49 Stat. 620.

42 USC 1305.

68A Stat. 3.

26 USC 1 et

seq.

86 Stat. 406.

Ante, p. 153.

86 Stat. 1362.

26 USC 3101.

#### CHANGES IN TAX SCHEDULES

SEC. 6. (a) (1) Section 3101(a) of the Internal Revenue Code of 1954 (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) with respect to wages received during the calendar year 1973, the rate shall be 4.85 percent;

"(5) with respect to wages received during the calendar years 1974 through 2010, the rate shall be 4.95 percent; and

"(6) with respect to wages received after December 31, 2010, the rate shall be 5.95 percent."

(2) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) with respect to wages paid during the calendar year 1973, the rate shall be 4.85 percent;

"(5) with respect to wages paid during the calendar years 1974 through 2010, the rate shall be 4.95 percent; and

"(6) with respect to wages paid after December 31, 2010, the rate shall be 5.95 percent."



(b) (1) Section 1401(b) of such Code (relating to rate of tax on self-employment income for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) in the case of any taxable year beginning after December 31, 1972, and before January 1, 1974, the tax shall be equal to 1.0 percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1973, and before January 1, 1978, the tax shall be equal to 0.90 percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1977, and before January 1, 1981, the tax shall be equal to 1.10 percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1980, and before January 1, 1986, the tax shall be equal to 1.35 percent of the amount of the self-employment income for such taxable year; and

"(6) in the case of any taxable year beginning after December 31, 1985, the tax shall be equal to 1.50 percent of the self-employment income for such taxable year."

(2) Section 3101(b) of such Code (relating to rate of tax on employees for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages received during the calendar year 1973, the rate shall be 1.0 percent;

"(3) with respect to wages received during the calendar years 1974 through 1977, the rate shall be 0.90 percent;

"(4) with respect to wages received during the calendar years 1978 through 1980, the rate shall be 1.10 percent;

"(5) with respect to wages received during the calendar years 1981 through 1985, the rate shall be 1.35 percent; and

"(6) with respect to wages received after December 31, 1985, the rate shall be 1.50 percent."

(3) Section 3111(b) of such Code (relating to rate of tax on employers for purposes of hospital insurance) is amended by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages paid during the calendar year 1973, the rate shall be 1.0 percent;

"(3) with respect to wages paid during the calendar years 1974 through 1977, the rate shall be 0.90 percent;

"(4) with respect to wages paid during the calendar years 1978 through 1980, the rate shall be 1.10 percent;

"(5) with respect to wages paid during the calendar years 1981 through 1985, the rate shall be 1.35 percent; and

"(6) with respect to wages paid after December 31, 1985, the rate shall be 1.50 percent."

(c) The amendment made by subsection (b) (1) shall apply only with respect to taxable years beginning after December 31, 1973. The remaining amendments made by this section shall apply only with respect to remuneration paid after December 31, 1973.

#### ALLOCATION TO DISABILITY INSURANCE TRUST FUND

SEC. 7. (a) Section 201(b)(1) of the Social Security Act is amended by striking out "(E)" and all that follows down through

86 Stat. 1364.  
42 USC 401.

"which wages" and inserting in lieu thereof the following: "(E) 1.1 per centum of the wages (as so defined) paid after December 31, 1972, and before January 1, 1974, and so reported, (F) 1.15 per centum of the wages (as so defined) paid after December 31, 1973, and before January 1, 1978, and so reported, (G) 1.2 per centum of the wages (as so defined) paid after December 31, 1977, and before January 1, 1981, and so reported, (H) 1.3 per centum of the wages (as so defined) paid after December 31, 1980, and before January 1, 1986, and so reported, (I) 1.4 per centum of the wages (as so defined) paid after December 31, 1985, and before January 1, 2011, and so reported, and (J) 1.7 per centum of the wages (as so defined) paid after December 31, 2010, and so reported, which wages".

86 Stat. 1364.  
42 USC 401.

(b) Section 201(b)(2) of such Act is amended by striking out "(E)" and all that follows down through "which self-employment income" and inserting in lieu thereof the following: "(E) 0.795 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1972, and before January 1, 1974, (F) 0.815 of 1 per centum of the amount of self-employment income (as so defined) as reported for any taxable year beginning after December 31, 1973, and before January 1, 1978, (G) 0.850 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1977, and before January 1, 1981, (H) 0.920 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1980, and before January 1, 1986, (I) 0.990 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1985, and before January 1, 2011, and (J) 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2010, which self-employment income".

#### ELIGIBILITY OF SUPPLEMENTAL SECURITY INCOME RECIPIENTS FOR FOOD STAMPS

Ante, p. 246.

86 Stat. 1329.  
42 USC 401 note.  
Ante, p. 221.

42 USC 1381.  
42 USC 1382e.  
Ante, p. 155.

SEC. 8. (a)(1) Section 3(e) of the Food Stamp Act of 1964 is amended effective only for the 6-month period beginning January 1, 1974 to read as it did before amendment by Public Law 92-603 and Public Law 93-86, but with the addition of the following new sentence at the end thereof: "For the 6-month period beginning January 1, 1974 no individual, who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps."

Ante, p. 246.

(2) Section 3(b) of Public Law 93-86 shall not be effective for the 6-month period beginning January 1, 1974.

(b)(1) Section 4(c) of Public Law 93-86 shall not be effective for the 6-month period beginning January 1, 1974.

86 Stat. 1492.  
7 USC 1431.

(2) The last sentence of section 416 of the Act of October 31, 1949 (as added by section 411(g) of Public Law 92-603) shall not be effective for the 6-month period beginning January 1, 1974.

(3) For the 6-month period beginning January 1, 1974, no individual, who receives supplemental security income benefits under title



XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household for any purpose of the food distribution program for families under section 32 of Public Law 74-320, section 416 of the Agricultural Act of 1949, or any other law, for any month during such period, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.

(c) For purposes of the last sentence of section 3(e) of the Food Stamp Act of 1964 (as amended by subsection (a) of this section) and subsections (b) (3) and (f) of this section, the level of State supplementary payment under section 1616(a) shall be found by the Secretary to have been specifically increased so as to include the bonus value of food stamps (1) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) at a level which is at least equal to the maximum level which can be determined under section 401(b) (1) of the Social Security Amendments of 1972 and which is such that the limitation on State fiscal liability under section 401 does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (2) only with respect to such months as the State may, at its option, elect.

(d) Section 401(b) (1) of the Social Security Amendments of 1972 is amended by striking out everything after the word "exceed" and inserting in lieu thereof: "a payment level modification (as defined in paragraph (2) of this subsection) with respect to such plans."

(e) The amendment made by subsection (d) shall be effective only for the 6-month period beginning January 1, 1974, except that such amendment shall not during such period, be effective in any State which provides supplementary payments of the type described in section 1616(a) of the Social Security Act the level of which has been found by the Secretary to have been specifically increased so as to include the bonus value of food stamps.

#### INDIVIDUALS DEEMED TO BE DISABLED UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM

SEC. 9. Section 1614(a) (3) of the Social Security Act is amended—

(1) by striking out the last sentence of subparagraph (A); and

(2) by inserting at the end thereof the following new subparagraph:

"(E) Notwithstanding the provisions of subparagraphs (A) through (D), an individual shall also be considered to be disabled for purposes of this title if he is permanently and totally disabled as defined under a State plan approved under title XIV or XVI as in effect for October 1972 and received aid under such plan (on the basis of disability) for December 1973 (and for at least one month prior to July 1973), so long as he is continuously disabled as so defined."

#### SUPPLEMENTAL SECURITY INCOME RECIPIENT LIVING IN AID TO FAMILIES WITH DEPENDENT CHILDREN HOUSEHOLD

SEC. 10. (a) Section 212(a) (3) (A) of Public Law 93-66 is amended by striking out "subparagraph (D)" and inserting in lieu thereof "subparagraphs (D) and (E)".

Ante, p. 155.

Family total  
income regu-  
lations.

42 USC 601.

(b) Section 212(a)(3) of Public Law 93-66 is amended by adding at the end thereof the following new subparagraph:

“(E) (i) In the case of an individual who, for December 1973 lived as a member of a family unit other members of which received aid (in the form of money payments) under a State plan of a State approved under part A of title IV of the Social Security Act, such State at its option, may (subject to clause (ii)) reduce such individual’s December 1973 income (as determined under subparagraph (B)) to such extent as may be necessary to cause the supplementary payment (referred to in paragraph (2)) payable to such individual for January 1974 or any month thereafter to be reduced to a level designed to assure that the total income of such individual (and of the members of such family unit) for any month after December 1973 does not exceed the total income of such individual (and of the members of such family unit) for December 1973.

“(ii) The amount of the reduction (under clause (i)) of any individual’s December 1973 income shall not be in an amount which would cause the supplementary payment (referred to in paragraph (2)) payable to such individual to be reduced below the amount of such supplementary payment which would be payable to such individual if he had, for the month of December 1973 not lived in a family, members of which were receiving aid under part A of title IV of the Social Security Act, and had had no income for such month other than that received as aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Social Security Act.”

86 Stat. 1484,  
1465.  
42 USC 301, 1201,  
1351, 1381.

#### CONTINUATION OF CERTAIN DEMONSTRATION PROJECTS

SEC. 11. (a) If any State (other than the Commonwealth of Puerto Rico, the Virgin Islands, or Guam) has any experimental, pilot, or demonstration project (referred to in section 1115 of the Social Security Act)—

76 Stat. 192.  
42 USC 1315.

(1) which (prior to October 1, 1973) has been approved by the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the “Secretary”), for a period which ends on or after December 31, 1973, as being a project with respect to which the authority conferred upon him by subsection (a) or (b) of such section 1115 will be exercised, and

(2) with respect to the costs of which Federal financial participation would (except for the provisions of this section) be denied or reduced on account of the enactment of section 301 of the Social Security Amendments of 1972,

86 Stat. 1465.  
42 USC 1381 and  
note.

then, for any period (after December 31, 1973) with respect to which such project is approved by the Secretary, Federal financial participation in the costs of such project shall be continued in like manner as if—

(3) such section 301 had not been enacted, and

(4) such State (for the month of January 1974 and any month thereafter) continued to have in effect the State plan (approved under title XVI) which was in effect for the month of October 1973, or the State plans (approved under titles I, X, and XIV of the Social Security Act) which were in effect for such month, as the case may be.

(b) With respect to individuals—

(1) who are participants in any project to which the provisions of subsection (a) are applicable, and

(2) with respect to whom supplemental security income benefits are (or would, except for their participation in such project, be) payable under title XVI of the Social Security Act, or who meet the requirements for aid or assistance under a State plan



approved under title I, X, XIV, or XVI of the Social Security Act of the State in which such project is conducted (as such State plan was in effect for July 1973),  
the Secretary may waive such requirements of title XVI of such Act (as enacted by section 301 of the Social Security Amendments of 1972) to such extent as he determines to be necessary to the successful operation of such project.

(c) In the case of any State which has entered into an agreement with the Secretary under section 1616 of the Social Security Act (or which is deemed, under section 212(d) of Public Law 93-66, to have entered into such an agreement), then, of the costs of any project of such State with respect to which there is (solely by reason of the provisions of subsection (a)) Federal financial participation, the non-Federal share thereof shall—

(1) be paid, from time to time, to such State by the Secretary, and

(2) shall, for purposes of section 1616(d) of the Social Security Act and section 401 of the Social Security Amendments of 1972, be treated in like manner as if such non-Federal share were supplementary payments made by the Secretary on behalf of such State pursuant to such agreement.

86 Stat. 1484, 1465.

42 USC 301, 1201, 1351, 1381.

86 Stat. 1465. 42 USC 1381 and note.

Ante, p. 157.

86 Stat. 1474, 1485.

42 USC 1382e, 1382e note.

#### SOCIAL SERVICES REGULATIONS POSTPONED

SEC. 12. (a) Subject to subsection (b), no regulation and no modification of any regulation, promulgated by the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") after January 1, 1973, shall be effective for any period which begins prior to January 1, 1975, if (and insofar as) such regulation or modification of a regulation pertains (directly or indirectly) to the provisions of law contained in sections 3(a)(4)(A), 402(a)(19)(G), 403(a)(3)(A), 603(a)(1)(A), 1003(a)(3)(A), 1403(a)(3)(A), or 1603(a)(4)(A), of the Social Security Act.

(b) (1) The provisions of subsection (a) shall not be applicable to any regulation relating to "scope of programs", if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.0 of the regulations (relating to social services) proposed by the Secretary and published in the Federal Register on May 1, 1973. There shall be deleted from the first sentence of subsection (b) of such section 221.0 the phrase "meets all the applicable requirements of this part and".

(2) The provisions of subsection (a) shall not be applicable to any regulation relating to "limitations on total amount of Federal funds payable to States for services", if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.55 of the regulations so proposed and published on May 1, 1973. There shall be deleted from subsection (d)(1) of such section 221.55 the phrase "(as defined under day care services for children)"; and, in lieu of the sentence contained in subsection (d)(5) of such section 221.55, there shall be inserted the following: "Services provided to a child who is under foster care in a foster family home (as defined in section 408 of the Social Security Act) or in a childcare institution (as defined in such section), or while awaiting placement in such a home or institution, but only if such services are needed by such child because he is under foster care."

(3) The provisions of subsection (a) shall not be applicable to any regulation relating to "rates and amounts of Federal financial participation for Puerto Rico, the Virgin Islands, and Guam", if such regulation is identical to the provisions of section 221.56 of the regulations so proposed and published on May 1, 1973.

42 USC 303, 602, 603, 803, 1203, 1353, 1383.

38 FR 10783.

38 FR 10787.

75 Stat. 76; 81 Stat. 880, 892. 42 USC 608.

38 FR 10788.

86 Stat. 1465,  
1478.  
42 USC 1381 and  
note, 801 and  
note.  
Publications in  
Federal Register.  
80 Stat. 383.

(4) The provisions of subsection (a) shall not be construed to preclude the Secretary from making any modification in any regulation (described in subsection (a)) if such modification is technically necessary to take account of the enactment of section 301 or 302 of the Social Security Amendments of 1972.

(c) Notwithstanding the provisions of section 553(d) of title 5, United States Code, any regulation described in subsection (b) may become effective upon the date of its publication in the Federal Register.

#### MEDICAL ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME RECIPIENTS

##### Beneficiaries

79 Stat. 343.  
42 USC 1396.

SEC. 13. (a) (1) Section 1901 of the Social Security Act (as amended by Public Law 92-603) is amended by striking out "permanently and totally disabled" and inserting "disabled" in lieu thereof.

(2) Section 1902(a) (5) of such Act is amended by—

(A) striking out "to administer the plan," and inserting in lieu thereof "to administer or to supervise the administration of the plan;" and by striking out "to supervise the administration of the plan" and inserting "to administer or to supervise the administration of the plan" in lieu thereof; and

79 Stat. 334.  
42 USC 1396a.

(B) striking out "XVI (insofar as it relates to the aged)" and inserting "XVI (insofar as it relates to the aged) if the State is eligible to participate in the State plan program established under title XVI, or by the agency or agencies administering the supplemental security income program established under title XVI or the State plan approved under part A of title IV if the State is not eligible to participate in the State plan program established under title XVI" in lieu thereof.

42 USC 1381.

42 USC 601.

(3) Section 1902(a) (10) of such Act is amended to read as follows:  
"(10) provide—

"(A) for making medical assistance available to all individuals receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI;

"(B) that the medical assistance made available to any individual described in clause (A)—

"(i) shall not be less in amount, duration, or scope than the medical assistance made available to any other such individual, and

"(ii) shall not be less in amount, duration, or scope than the medical assistance made available to individuals not described in clause (A); and

"(C) if medical assistance is included for any group of individuals who are not described in clause (A) and who do not meet the income and resources requirements of the appropriate State plan, or the supplemental security income program under title XVI, as the case may be, as determined in accordance with standards prescribed by the Secretary—

"(i) for making medical assistance available to all individuals who would, except for income and resources, be eligible for aid or assistance under any such State plan or to have paid with respect to them supplemental security income benefits under title XVI, and who have insufficient (as determined in accordance with comparable standards) income and resources to meet the costs of necessary medical and remedial care and services, and

42 USC 301, 1201,  
1351, 1381, 601.



“(ii) that the medical assistance made available to all individuals not described in clause (A) shall be equal in amount, duration, and scope;

except that (I) the making available of the services described in paragraph (4), (14), or (16) of section 1905(a) to individuals meeting the age requirements prescribed therein shall not, by reason of this paragraph (10), require the making available of any such services, or the making available of such services of the same amount, duration, and scope, to individuals of any other ages, (II) the making available of supplementary medical insurance benefits under part B of title XVIII to individuals eligible therefor (either pursuant to an agreement entered into under section 1843 or by reason of the payment of premiums under such title by the State agency on behalf of such individuals), or provision for meeting part or all of the cost of deductibles, cost sharing, or similar charges under part B of title XVIII for individuals eligible for benefits under such part, shall not, by reason of this paragraph (10), require the making available of any such benefits, or the making available of services of the same amount, duration, and scope, to any other individuals, and (III) the making available of medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in clause (A) to any classification of individuals approved by the Secretary with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment shall not, by reason of this paragraph (10), require the making available of any such assistance, or the making available of such assistance of the same amount, duration, and scope, to any other individuals not described in clause (A);”

42 USC 1396d.

42 USC 1395j.

42 USC 1395v.

(4) Section 1902(a) (13) (B) of such Act is amended by striking out “the State’s plan approved under title I, X, XIV, or XVI, or part A of title IV” and inserting “any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI” in lieu thereof.

81 Stat. 902.

42 USC 1396a.

42 USC 301,  
1201, 1351,  
1381, 601.

(5) Section 1902 (a) (14) (A) of such Act is amended by striking out “a State plan approved under title I, X, XIV, or XVI, or part A of title IV, or who meet the income and resources requirements of the one of such State plans which is appropriate” and inserting “any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or who meet the income and resources requirements of the appropriate State plan, or the supplemental security income program under title XVI, as the case may be, and individuals with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in paragraph (10) (A)” in lieu thereof.

86 Stat. 1381.

(6) Section 1902(a) (14) (B) of such Act is amended by—

(A) inserting “(other than individuals with respect to whom there is being paid, or who are eligible or would be eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in paragraph (10) (A))” immediately after “with respect to individuals”;

- 42 USC 1381. (B) inserting "and with respect to whom supplemental security income benefits are not being paid under title XVI" immediately after "any such State plan";
- (C) striking out "the one of such State plans which is appropriate" and inserting "the appropriate State plan, or the supplemental security income program under title XVI, as the case may be," in lieu thereof; and
- (D) striking out "or who, after December 31, 1973, are included under the State plan for medical assistance pursuant to section 1902(a)(10)(B) approved under title XIX".
- 79 Stat. 344.  
42 USC 1396a. (7) Section 1902(a)(17) of such Act is amended by—
- (A) striking out "the State's plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, and with respect to whom supplemental security income benefits are not being paid under title XVI" in lieu thereof;
- (B) striking out "if he met the requirements as to need" and inserting "except for income and resources" in lieu thereof;
- (C) striking out "a State plan approved under title I, X, XIV, or XVI, or part A of title IV" and inserting "any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or to have paid with respect to him supplemental security income benefits under title XVI" in lieu thereof; and
- (D) striking out "and amount of such aid or assistance under such plan" and inserting "such aid, assistance, or benefits" in lieu thereof.
- 42 USC 301,  
1201, 1351,  
1381, 601. (8) Sections 1902(a)(17) and 1902(a)(18) are each amended by striking out "is blind or permanently and totally disabled" and inserting "(with respect to States eligible to participate in the State program established under title XVI), is blind or permanently and totally disabled, or is blind or disabled as defined in section 1614 (with respect to States which are not eligible to participate in such program)" in lieu thereof.
- 42 USC 803.  
42 USC 303. (9) Section 1902(a)(20)(C) of such Act is amended by inserting ", section 603(a)(1)(A) (i) and (ii)," immediately after "section 3(a)(4)(A) (i) and (ii)".
- 86 Stat. 1381.  
42 USC 1396a. (10) Section 1902(f) of such Act is amended by—
- (A) inserting "not eligible to participate in the State plan program established under title XVI" immediately after "State" the first time it appears therein;
- (B) striking out "such individual's payment under title XVI" and inserting "any supplemental security income payment and State supplementary payment made with respect to such individual" in lieu thereof;
- (C) striking out "as defined in section 213 of the Internal Revenue Code of 1954" and inserting "as recognized under State law" in lieu thereof; and
- (D) inserting at the end thereof the following new sentences: "In States which provide medical assistance to individuals pursuant to clause (10)(C) of subsection (a) of this section, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical expenses from income shall be considered an individual eligible for medical assistance under clause (10)(A) of that subsection if that individual is, or is eligible to be (1) an individual with respect to whom there is payable a State supplementary payment on the basis of which similarly situated individuals are eligible to receive medical assistance equal in amount, duration, and scope to that provided to individuals eligible under clause



(10) (A), or (2) an eligible individual or eligible spouse, as defined in title XVI, with respect to whom supplemental security income benefits are payable; otherwise that individual shall be considered to be an individual eligible for medical assistance under clause (10) (C) of that subsection. In States which do not provide medical assistance to individuals pursuant to clause (10) (C) of that subsection, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical expenses from income shall be considered an individual eligible for medical assistance under clause (10) (A) of that subsection.”

86 Stat. 1465.  
42 USC 1381.

(11) Section 1903(a) (1) of such Act is amended by striking out “individuals who are recipients of money payments under a State plan approved under title I, X, XIV, or XVI, or part A of title IV” and inserting “individuals who are eligible for medical assistance under the plan and (A) are receiving aid or assistance under any plan of the State approved under title I, X, XIV, or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or (B) with respect to whom there is being paid a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a) (10) (A)” in lieu thereof.

79 Stat. 349.  
42 USC 1396b.

42 USC 301,  
1201, 1351,  
1381, 601.

(12) Section 1903(f) (4) of such Act is amended to read as follows:

42 USC 1396b.

“(4) The limitations on payment imposed by the preceding provisions of this subsection shall not apply with respect to any amount expended by a State as medical assistance for any individual—

“(A) who is receiving aid or assistance under any plan of the State approved under title I, X, XIV or XVI, or part A of title IV, or with respect to whom supplemental security income benefits are being paid under title XVI, or

“(B) who is not receiving such aid or assistance, and with respect to whom such benefits are not being paid, but (i) is eligible to receive such aid or assistance, or to have such benefits paid with respect to him, or (ii) would be eligible to receive such aid or assistance, or to have such benefits paid with respect to him if he were not in a medical institution, or

“(C) with respect to whom there is being paid, or who is eligible, or would be eligible if he were not in a medical institution, to have paid with respect to him, a State supplementary payment and is eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a) (10) (A), but only if the income of such individual (as determined under section 1612, but without regard to subsection (b) thereof) does not exceed 300 percent of the supplemental security income benefit rate established by section 1611(b) (1).

42 USC 1396a.  
86 Stat. 1468.  
42 USC 1382a.  
42 USC 1382.

at the time of the provision of the medical assistance giving rise to such expenditure.”

(13) The matter before clause (i) in section 1905(a) of such Act is amended by striking out “individuals not receiving aid or assistance under the State’s plan approved under title I, X, XIV, or XVI, or part A of title IV” and inserting “individuals (other than individuals with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1902(a) (10) (A)) not receiving aid or assistance under any plan of the State

42 USC 1396d.

87 STAT. 964

42 USC 301,  
1201, 1351,  
1381, 601.

42 USC 1395d.

approved under title I, X, XIV, or XVI, or part A of title IV, and with respect to whom supplemental security income benefits are not being paid under title XVI" in lieu thereof.

(14) Section 1905(a) (iv) of such Act is amended by inserting "with respect to States eligible to participate in the State plan program established under title XVI," at the end thereof.

(15) Section 1905(a) (v) of such Act is amended by striking out "or" and inserting "with respect to States eligible to participate in the State plan program established under title XVI," in lieu thereof.

(16) Section 1905(a) (vi) of such Act is amended by inserting "or" at the end thereof.

(17) Section 1905(a) of such Act is further amended by inserting immediately after clause (vi) the following new clause:

"(vii) blind or disabled as defined in section 1614, with respect to States not eligible to participate in the State plan program established under title XVI,".

(18) Section 1905 of such Act is amended by inserting at the end thereof the following new subsections:

"(j) The term 'State supplementary payment' means any cash payment made by a State on a regular basis to an individual who is receiving supplemental security income benefits under title XVI or who would but for his income be eligible to receive such benefits, as assistance based on need in supplementation of such benefits (as determined by the Secretary), but only to the extent that such payments are made with respect to an individual with respect to whom supplemental security income benefits are payable under title XVI, or would but for his income be payable under that title.

"(k) Increased supplemental security income benefits payable pursuant to section 211 of Public Law 93-66 shall not be considered supplemental security income benefits payable under title XVI."

Ante, p. 154.

# Technical Clarification and Modification of Medicaid Eligibility and Federal Title XIX Matching Under Public Law 93-66

Ante, p. 159.

(b) (1) (A) Clause (2) (A) of section 231 of Public Law 93-66 is amended by—

(i) inserting "received or" immediately before "would", and  
(ii) striking out "or" at the end thereof and inserting "and" in lieu thereof.

(B) Clause (2) (B) of that section is amended by—

(i) striking out "was", and  
(ii) striking out "need for care in such institution, considered to be eligible for aid or assistance under a State plan (referred to in subparagraph (A)) for purposes of determining his eligibility" and inserting "status as described in subparagraph (A), was included as an individual eligible" in lieu thereof.

Ante, p. 160.

(2) The first sentence of section 232 of Public Law 93-66 is amended by—

(A) striking out "(under the provisions of subparagraph (B) of such section)",

(B) striking out "to be a person described as being a person who 'would, if needy, be eligible for aid or assistance under any such State plan' in subparagraph (B) (i) of such section" and inserting "for purposes of title XIX to be an individual who is blind or disabled within the meaning of section 1614(a) of the Social Security Act" in lieu thereof, and

(C) inserting "and the other conditions of eligibility contained in the plan of the State approved under title XIX (as it was in effect in December 1973)" before the period at the end thereof.

42 USC 1396.

42 USC 1382c.



Medicaid Eligibility for Individuals Receiving Mandatory  
State Supplementary Payments

(c) In addition to other requirements imposed by law as conditions for the approval of any State plan under title XIX of the Social Security Act, there is hereby imposed (effective January 1, 1974) the requirement (and each such State plan shall be deemed to require) that medical assistance under such plan shall be provided to any individual—

79 Stat. 343;  
86 Stat. 1426.  
42 USC 1396.

(1) for any month for which there (A) is payable with respect to such individual a supplementary payment pursuant to an agreement entered into between the State and the Secretary of Health, Education, and Welfare under section 212(a) of Public Law 93-66, and (B) would be payable with respect to such individual such a supplementary payment, if the amount of the supplementary payments payable pursuant to such agreement were established without regard to paragraph (3)(A)(ii) of such section 212(a), and

Ante, p. 155.

(2) in like manner, and subject to the same terms and conditions, as medical assistance is provided under such plan to individuals with respect to whom benefits are payable for such month under the supplementary security income program established by title XVI of the Social Security Act.

86 Stat. 1465.  
42 USC 1381.

Federal matching under title XIX of the Social Security Act shall be available for the medical assistance furnished to individuals who are eligible for such assistance under this subsection.

*Effective Dates*

(d) The amendments made by subsection (a) shall be effective with respect to payments under section 1903 of the Social Security Act for calendar quarters commencing after December 31, 1973.

42 USC 1396b.

PAYMENTS TO SUBSTANDARD FACILITIES UNDER MEDICAID

SEC. 14. Section 1616 of the Social Security Act is amended by adding at the end thereof the following new subsection:

42 USC 1382e.

“(e) Payments made under this title with respect to an individual shall be reduced by an amount equal to the amount of any supplementary payment (as described in subsection (a)) or other payment made by a State (or political subdivision thereof) which is made for or on account of any medical or any other type of remedial care provided by an institution to such individual as an inpatient of such institution in the case of any State which has a plan approved under title XIX of this Act if such care is (or could be) provided under a State plan approved under title XIX of this Act by an institution certified under such title XIX.”

PAYMENT FOR SERVICES OF PHYSICIANS RENDERED IN A TEACHING HOSPITAL

SEC. 15. (a) (1) Notwithstanding any other provision of law, the provisions of section 1861(b) of the Social Security Act, shall, subject to subsection (b) of this section, for the period with respect to which this paragraph is applicable, be administered as if paragraph (7) of such section read as follows:

42 USC 1395x.

“(7) a physician where the hospital has a teaching program approved as specified in paragraph (6), if (A) the hospital elects to receive any payment due under this title for reasonable costs of such services, and (B) all physicians in such hospital agree not to bill charges for professional services rendered in such hospital to individuals covered under the insurance program established by this title.”

86 Stat. 1406. (2) Notwithstanding any other provision of law, the provisions of  
42 USC 1395k. section 1832(a)(2)(B)(i) of the Social Security Act, shall, subject  
to subsection (b) of this section, for the period with respect to which  
this paragraph is applicable, be administered as if subclause II of  
such section read as follows:

42 USC 1395x. “(II) a physician to a patient in a hospital which has a  
teaching program approved as specified in paragraph (6)  
of section 1861(b) (including services in conjunction with  
the teaching programs of such hospital whether or not such  
patient is an inpatient of such hospital), where the conditions  
specified in paragraph (7) of such section are met, and”.

42 USC 1395. (b) The provisions of subsection (a) shall not be deemed to render  
improper any determination of payment under title XVIII of the  
Social Security Act for any service provided prior to the enactment of  
this Act.

Study. (c)(1) The Secretary of Health, Education, and Welfare shall  
arrange for the conduct of a study or studies concerning (A) appro-  
42 USC 1396. priate and equitable methods of reimbursement for physicians' services  
under titles XVIII and XIX of the Social Security Act in hospitals  
which have a teaching program approved as specified in section  
1861(b)(6) of such Act, (B) the extent to which funds expended under  
such titles are supporting the training of medical specialties which  
are in excess supply, (C) how such funds could be expended in ways  
which support more rational distribution of physician manpower  
both geographically and by specialty, (D) the extent to which such  
funds support or encourage teaching programs which tend to dispro-  
portionately attract foreign medical graduates, and (E) the existing  
and appropriate role that part of such funds which are expended to  
meet in whole or in part the cost of salaries of interns and residents in  
teaching programs approved as specified in section 1861(b)(6) of  
such Act.

Reports to  
congressional  
committees.

(2) The studies required by paragraph (1) shall be the subject of  
an interim report thereon submitted not later than December 1, 1974,  
and a final report not later than July 1, 1975. Such reports shall be  
submitted to the Secretary, the Committee on Finance of the Senate,  
and the Committee on Ways and Means of the House of Representa-  
tives, simultaneously.

(3) The Secretary shall request the National Academy of Sciences  
to conduct such studies under an arrangement under which the actual  
expenses incurred by such Academy in conducting such studies will  
be paid by the Secretary. If the National Academy of Sciences is  
willing to do so, the Secretary shall enter into such an arrangement  
with such Academy for the conduct of such studies.

(4) If the National Academy of Sciences is unwilling to conduct  
the studies required under this section, under such an arrangement  
with the Secretary, then the Secretary shall enter into a similar  
arrangement with other appropriate nonprofit private groups or  
associations under which such groups or associations shall conduct  
such studies and prepare and submit the reports thereon as provided  
in paragraph (2).

Analysis, sub-  
mittal to con-  
gressional com-  
mittees.

(5) The Social Security Administration shall study the interim  
report called for in paragraph (2) and shall submit its analysis of  
such interim report to the Committee on Finance of the Senate and  
the Committee on Ways and Means of the House of Representatives  
not later than March 1, 1975. The Social Security Administration  
shall study and submit its analysis of the final report to the Com-  
mittee on Finance of the Senate and the Committee on Ways and  
Means of the House of Representatives by October 1, 1975.



(d) The provisions of subsection (a) shall apply with respect to cost accounting periods beginning after June 30, 1973, and prior to January 1, 1975, except that if the Secretary of Health, Education, and Welfare determines that additional time is required to prepare the report required by subsection (c), he may, by regulation, extend the applicability of the provisions of subsection (a) to cost accounting periods beginning after June 30, 1975.

Effective  
dates.

#### BASIS OF MEDICARE PAYMENT FOR SERVICES PROVIDED BY AGENCIES AND PROVIDERS

SEC. 16. In the administration of titles V, XVIII, and XIX of the Social Security Act, the amount payable under such title to any provider of services on account of services provided by such hospital, skilled nursing facility, or home health agency shall be determined (for any period with respect to which the amendments made by section 233 of Public Law 92-603 would, except for the provisions of this section, be applicable) in like manner as if the date contained in the first and second sentences of subsection (f) of such section 233 were December 31, 1973, rather than December 31, 1972.

42 USC 701,  
1395, 1396.

86 Stat. 1141.

#### POSTPONEMENT ON EFFECTIVE DATE OF CERTAIN REQUIREMENTS IMPOSED WITH RESPECT TO PAYMENT FOR PHYSICAL THERAPY SERVICES

SEC. 17. (a) In the administration of title XVIII of the Social Security Act, the amount payable thereunder with respect to physical therapy and other services referred to in section 1861(v)(5)(A) of such Act (as added by section 151(c) of the Social Security Amendments of 1972) shall be determined (for the period with respect to which the amendment made by such section 151(c) would, except for the provisions of this section, be applicable) in like manner as if the "December 31, 1972", which appears in such subsection (d)(3) of such section 151, read "the month in which there are promulgated, by the Secretary of Health, Education, and Welfare, final regulations implementing the provisions of section 1861(v)(5) of the Social Security Act".

86 Stat. 1445.  
42 USC 1395x.

#### CLERICAL AND CONFORMING AMENDMENTS TO SOCIAL SECURITY ACT

##### *In General*

#### Inclusion of All Wage Level Increases in Automatic Adjustment of Earnings Test

SEC. 18. (a) Section 203(f)(8)(B)(ii) of the Social Security Act is amended by—

86 Stat. 1341.  
42 USC 403.

- (1) striking out "contribution and benefit base" and inserting "exempt amount" in lieu thereof; and
- (2) striking out "section 230(a)" and inserting "subparagraph (A)" in lieu thereof.

#### Inclusion in Old-Age Insurance Benefit in Certain Cases of Delayed Retirement

(b) Section 202(w) of such Act is amended by inserting at the end thereof the following new paragraph:

86 Stat. 1339.  
42 USC 402.

"(5) If an individual's primary insurance amount is determined under paragraph (3) of section 215(a) and, as a result of this subsection, he would be entitled to a higher old-age insurance benefit if his primary insurance amount were determined under section 215(a) without regard to such paragraph, such individual's old-age insurance

86 Stat. 1333.  
42 USC 415.

benefit based upon his primary insurance amount determined under such paragraph shall be increased by an amount equal to the difference between such benefit and the benefit to which he would be entitled if his primary insurance amount were determined under such section without regard to such paragraph."

#### Elimination of Benefits at Age 72 for Uninsured Individuals Receiving Supplemental Security Income Benefits

42 USC 428d.

86 Stat. 1465.

Ante, p. 154.

42 USC 1381.

(c) Section 228(d) of such Act is amended by inserting "and such individual is not an individual with respect to whom supplemental security income benefits are payable pursuant to title XVI or section 211 of Public Law 93-66 for the following month, nor shall such benefit be paid for such month if such individual is an individual with respect to whom supplemental security income benefits are payable pursuant to title XVI or section 211 of Public Law 93-66 for such month, unless the Secretary determines that such benefits are not payable with respect to such individual for the month following such month" immediately before the period at the end thereof.

#### Limitations on Eligibility Determinations Under Resources Tests of State Plans

86 Stat. 1466.

(d) Section 1611 of such Act (as amended by Public Law 92-603) is amended by striking out subsection (g) and inserting in lieu thereof the following new subsection:

"(g) In the case of any individual or any individual and his spouse (as the case may be) who—

86 Stat. 1484,  
1465.42 USC 301,  
1201, 1351,  
1381.

"(1) received aid or assistance for December 1973 under a plan of a State approved under title I, X, XIV, or XVI,

"(2) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

"(3) has, since December 31, 1973, continuously been (except for periods not in excess of six consecutive months) an eligible individual or eligible spouse with respect to whom supplemental security income benefits are payable,

the resources of such individual or such individual and his spouse (as the case may be) shall be deemed not to exceed the amount specified in sections 1611(a)(1)(B) and 1611(a)(2)(B) during any period that the resources of such individual or individuals and his spouse (as the case may be) does not exceed the maximum amount of resources specified in the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973."

#### Limitations on Eligibility and Benefit Determinations Under Income Tests of State Plans for Aid to the Blind

(e) Section 1611 of such Act is amended by striking out subsection (h) and inserting in lieu thereof the following new subsection:

"(h) In determining eligibility for, and the amount of, benefits payable under this section in the case of any individual or any individual and his spouse (as the case may be) who—

"(1) received aid or assistance for December 1973 under a plan of a State approved under title X or XVI,

"(2) is blind under the definition of that term in the plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973,



“(3) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

“(4) has, since December 31, 1973, continuously been (except for periods not in excess of six consecutive months) an eligible individual or an eligible spouse with respect to whom supplemental security income benefits are payable,

there shall be disregarded an amount equal to the greater of (A) the maximum amount of any earned or unearned income which could have been disregarded under the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973, and (B) the amount which would be required to be disregarded under section 1612 without application of this subsection.”

#### Correction of Erroneous Designations and Cross-References

(f) (1) Section 226 of such Act is amended by—

(A) redesignating subsection (a) (1) as subsection (a);

(B) redesignating clauses (A) and (B) of subsection (a), as redesignated by this subsection, as clauses (1) and (2), respectively; and

(C) redesignating subsection (f) (as added by section 201 (b) (5) of the Social Security Amendments of 1972 and redesignated by section 299L of that Act) and the subsection (f) (as enacted by section 101 of the Social Security Amendments of 1965 and redesignated by section 201 (b) (5) of the Social Security Amendments of 1972) as subsections (h) and (i), respectively; and by inserting such subsections (h) and (i) (as so redesignated) immediately after subsection (g) of such section.

(2) Section 226(h) (1) (A) of such Act, as redesignated by this subsection, is amended by striking out “and 202(e) (5), and the term ‘age 62’ in sections” and inserting “, 202(e) (5),” in lieu thereof.

(3) Section 226(h) (1) (B) of such Act, as redesignated by this subsection, is amended by striking out “shall” and inserting “and the phrase ‘before he attained age 60’ in the matter following subparagraph (G) of section 202(f) (1) shall each” in lieu thereof.

(4) Paragraphs (2) and (3) of section 226(h) of such Act, as redesignated by this subsection, are each amended by striking out “(a) (2)” and inserting “b” in lieu thereof.

86 Stat. 1371.  
42 USC 426.

#### Initial Payments to Presumptively Disabled Individuals Unrecoverable Only if Individual Is Ineligible Because Not Disabled

(g) Section 1631(a) (4) (B) of such Act is amended by inserting “solely because such individual is determined not to be disabled” immediately before the period at the end thereof.

86 Stat. 1475.  
42 USC 1383.

#### Technical Correction of Limitation on Fiscal Liability of States for Optional Supplementation

(h) (1) Section 401(a) (1) of the Social Security Amendments of 1972 is amended by—

(A) inserting “, other than fiscal year 1974,” immediately after “any fiscal year”; and

(B) inserting “, and the amount payable for fiscal year 1974 pursuant to such agreement or agreements shall not exceed one-half of the non-Federal share of such expenditures” immediately before the period at the end thereof.

(2) Section 401(c) (1) of such Act is amended by inserting “excluding” immediately before “expenditures authorized under section 1119”.

86 Stat. 1485.  
42 USC 1382e  
note.

86 Stat. 1487.

## Modification of Transitional Administrative Provisions

86 Stat. 1487.  
42 USC 1382e  
note.

(i) Section 402 of the Social Security Amendments of 1972 is amended by—

(1) striking out “XVI” the first time that it appears therein and inserting “VI” in lieu thereof;

(2) inserting “the third and fourth quarters in the fiscal year ending June 30, 1974, and” immediately after “with respect to expenditures for”; and

(3) inserting “the third and fourth quarters of the fiscal year ending June 30, 1974, and any quarter of” immediately after “during such portion of”.

## Inclusion of Title VI in Limitation on Grants to States for Social Services

86 Stat. 945.  
42 USC 1320b.

(j) Section 1130(a) of such Act is amended by inserting “603(a) (1),” immediately after “403(a) (3),”.

## Clarification of Coverage of Hospitalization for Dental Services

86 Stat. 1447.  
42 USC 1395f.

(k) (1) Section 1814(a) (2) (E) of such Act (as amended by Public Law 92-603) is amended to read as follows:

“(E) in the case of inpatient hospital services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such dental services;”.

(2) The last sentence of section 1814(a) is amended by striking out “or (D)” and inserting “(D), or (E)” in lieu thereof.

42 USC 1395y.

(3) Section 1862(a) (12) of such Act is amended by striking out “a dental procedure” and all that follows thereafter, and inserting “the provision of such dental services if the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such services; or” in lieu thereof.

## Continuation of State Agreements for Coverage of Certain Individuals

42 USC 1395v.  
Effective date.

86 Stat. 1381.  
42 USC 1396a.  
42 USC 1381.

42 USC 301,  
1201, 1351.

(l) Section 1843(b) of such Act is amended by adding at the end thereof the following: “Effective January 1, 1974, and subject to section 1902(f), the Secretary shall, at the request of any State not eligible to participate in the State plan program established under title XVI, continue in effect the agreement entered into under this section with such State subject to such modifications as the Secretary may by regulations provide to take account of the termination of any plans of such State approved under titles I, X, XIV, and XVI and the establishment of the supplemental security income program under title XVI.”.

## Technical Improvement of Provisions Governing Disposition of HMO Savings

86 Stat. 1396.  
42 USC 1395mm.

(m) Section 1876(a) (3) (A) (ii) of such Act is amended by striking out “, with the apportionment of savings being proportional to the losses absorbed and not yet offset”.



Technical Improvement of Provisions Governing Allowable HMO  
Premium Charges

(n) The last sentence of section 1876(g) (2) of such Act is amended by— 86 Stat. 1401.  
42 USC 1395mm.

- (1) inserting “of its premium rate or other charges” immediately after “portion”;
- (2) striking out “may” and inserting “shall”;
- (3) striking out “(i)”;
- (4) striking out “less (ii) the actuarial value of other charges made in lieu of such deductible and coinsurance”.

Applications for Assistance on Behalf of Deceased Individuals

(o) Section 1902(a) (34) of the Social Security Act (as amended by Public Law 92-603) is amended by inserting “(or application was made on his behalf in the case of a deceased individual)” immediately after “he made application”. 86 Stat. 1446.  
42 USC 1396a.

Expansion of Intermediate Care Facility Ownership Disclosure  
Requirements

(p) Section 1902(a) (35) (A) of such Act is amended by inserting “or who is the owner (in whole or in part) of any mortgage, deed of trust, note, or other obligation secured (in whole or in part) by such intermediate care facility or any of the property or assets of such intermediate care facility” immediately after “intermediate care facility”. 86 Stat. 1460.  
42 USC 1396a.

Technical Modification of Extended Medicaid Eligibility for AFDC  
Recipients

(q) Section 1902(e) of such Act is amended to read as follows: 86 Stat. 1381.  
“(e) Notwithstanding any other provision of this title, effective January 1, 1974, each State plan approved under this title must provide that each family which was receiving aid pursuant to a plan of the State approved under part A of title IV in at least 3 of the 6 months immediately preceding the month in which such family became ineligible for such aid because of increased hours of, or increased income from, employment, shall, while a member of such family is employed, remain eligible for assistance under the plan approved under this title (as though the family was receiving aid under the plan approved under part A of title IV) for 4 calendar months beginning with the month in which such family became ineligible for aid under the plan approved under part A of title IV because of income and resources or hours of work limitations contained in such plan.”. 42 USC 1396a.

Limitation on Payments to States for Expenditures in Relation to  
Disabled Individuals Eligible for Medicare

(r) (1) Section 1903(a) (1) of such Act is amended by inserting “and disabled individuals entitled to hospital insurance benefits under title XVIII” immediately after “individuals sixty-five years of age or older”. 42 USC 1396b.

(2) Section 1903(b) (2) of such Act is amended by inserting “and disabled individuals entitled to hospital insurance benefits under title XVIII” immediately after “individuals aged 65 or over”.

Federal Payment for Cost of Inspecting Institutions Limited  
to Expenses Incurred During Covered Period

79 Stat. 349;  
86 Stat. 1414.  
42 USC 1396b.

(s) Section 1903(a)(4) of such Act is amended by striking out "sums expended" and inserting "sums expended with respect to costs incurred" in lieu thereof.

Federal Payment for Family Planning Expenditures Not  
Limited to Administrative Costs

(t) Section 1903(a)(5) of such Act is amended by striking out "(as found necessary by the Secretary for the proper and efficient administration of the plan)".

Exception to Limitation on Payments to States for Expenditures in  
Relation to Individuals Eligible for Medicare

(u) Section 1903(b)(2) of such Act is amended by inserting ", other than amounts expended under provisions of the plan of such State required by section 1902(a)(34)" immediately before the period at the end thereof.

Utilization Review by Medical Personnel Associated With  
an Institution

86 Stat. 1379.

(v) Section 1903(g)(1)(C) of such Act is amended by striking out "and who are not employed by" and by inserting "or, except in the case of hospitals, employed by the institution" immediately after "any such institution".

Authority To Prescribe Standards Under Title XIX for Active  
Treatment of Mental Illness

86 Stat. 1461.  
42 USC 1396d.

(w) Section 1905(h)(1)(B) of such Act is amended by—  
(1) striking out ", involves active treatment (i)" and inserting "(i) involve active treatment" in lieu thereof,  
(2) striking out "pursuant to title XVIII", and  
(3) striking out "(ii) which" and inserting "(ii)" in lieu thereof.

Correction of Erroneous Designations and Cross References

79 Stat. 344.  
42 USC 1396a.

(x)(1) Section 1902(a)(13)(C) of such Act is amended by striking out "(14)" and inserting "(16)" in lieu thereof.

(2) Section 1902(a)(33)(A) of such Act is amended by striking out "last sentence" and inserting "penultimate sentence" in lieu thereof.

(3) Section 1902(a) of such Act is amended by—

(A) striking out the period at the end of paragraph (35) and inserting "; and" in lieu thereof; and

(B) redesignating paragraph (37) as paragraph (36).

(4) Sections 1902(a)(21), (24), and (26)(B), and the last sentence of section 1902(d), of such Act are each amended by striking out "nursing home" and "nursing homes" each time that they appear therein and inserting "nursing facility" and "nursing facilities", respectively, in lieu thereof.

79 Stat. 349.

(5) Section 1903(a) of such Act is amended by striking out "and section 1117" in the first parenthetical phrase.

(6) Section 1903(b) of such Act is amended by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.



(7) Section 1905(a)(16) of such Act is amended by striking out "under 21, as defined in subsection (e) ;" and inserting "under age 21, as defined in subsection (h) ; and" in lieu thereof. 86 Stat. 1460. 42 USC 1396d.

(8) Section 1905(c) of such Act is amended by striking out "skilled nursing home" each time that it appears therein and inserting "skilled nursing facility" in lieu thereof. 85 Stat. 809; 86 Stat. 1464.

(9) Section 1905 of such Act is amended by redesignating subsection (h) (which was enacted by section 299L(b) of the Social Security Amendments of 1972) as subsection (i).

(10) Section 1905(h)(2) is amended by striking out "(e)(1)" and inserting "(1)" in lieu thereof. 86 Stat. 1461.

#### Deletion of Obsolete Provisions

(y)(1) Section 1903 of such Act is amended by— 79 Stat. 349.

(A) striking out subsection (c) ; 42 USC 1396b.

(B) striking out "(a), (b), and (c)" in subsection (d) and inserting "(a) and (b)" in lieu thereof.

(2) Section 1905(b) of such Act is amended by striking out everything after "section 1110(a)(8)" and inserting a period in lieu thereof. 42 USC 1396d.

(3) Section 1908 of such Act is amended by striking out the last sentence of subsection (d) and subsections (e) and (f), and redesignating subsection (g) as subsection (e). 81 Stat. 908. 42 USC 1396g.

#### Determination of Amount of Exclusion for Disapproved Capital Expenditures by Institutions Reimbursed on Fixed Fee or Negotiated Rate Basis

(z) The last sentence of section 1122(d)(1) of such Act is amended by inserting "or a fixed fee or negotiated rate" immediately after "per capita" each time that it appears therein. 86 Stat. 1386. 42 USC 1320a-1.

#### Technical Improvement of Authority To Include Expenses Related to Capital Expenditures in Certain Cases

(z-1) Section 1122(d)(2) of such Act is amended by striking out "include" the last time that it appears therein and inserting "exclude" in lieu thereof.

#### Conforming Amendments to Title XI of the Social Security Act

(z-2)(1) Title XI of the Social Security Act is amended—

(A) in section 1101(a)(1), by— 42 USC 1301.

(i) striking out "I," "X," "XIV," and "XVI," and

(ii) by adding at the end of such section 1101(a) the following new sentence: "In the case of Puerto Rico, the Virgin Islands, and Guam, titles I, X, and XIV, and title XVI (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972) shall continue to apply, and the term 'State' when used in such titles (but not in title XVI as in effect pursuant to such amendment after December 31, 1973) includes Puerto Rico, the Virgin Islands, and Guam." 42 USC 301, 1201, 1351, 1381. 86 Stat. 1465.

(B) in section 1115, by— 42 USC 1315.

(i) inserting (in the matter preceding subsection (a)) "VI," immediately after "title I,"

(ii) inserting (in subsection (a)) "602," immediately after "402," and

(iii) inserting (in subsection (b)) "603," immediately after "403," and

79 Stat. 419;  
81 Stat. 917.  
42 USC 1316.

(C) in section 1116, by—

- (i) inserting (in subsection (a)(1)) "VI," immediately after "title I,"
- (ii) inserting (in subsection (a)(3)) "604," immediately after "404,"
- (iii) inserting (in subsection (b)) "VI," immediately after "title I," and
- (iv) inserting (in subsection (d)) "VI," immediately after "title I."

Effective  
date.

(2) The amendments made by this subsection shall be effective on and after January 1, 1974.

#### Effective Dates

(z-3) (1) The amendments made by subsections (g), (h), (j), and (l) shall be effective January 1, 1974.

42 USC 1395f.

(2) The amendments made by subsection (k) shall be effective with respect to admissions subject to the provisions of section 1814(a)(2) of the Social Security Act which occur after December 31, 1972.

(3) The amendments made by subsections (m) and (n) shall be effective with respect to services provided after June 30, 1973.

(4) The amendments made by subsections (o) and (u) shall be effective July 1, 1973.

#### MODIFICATION OF PROVISIONS ESTABLISHING SUPPLEMENTAL SECURITY INCOME PROGRAM

86 Stat. 1484.  
25 USC 639.

SEC. 19. (a) Section 303(c) of the Social Security Amendments of 1972 is amended to read as follows:

"(c) Section 9 of the Act of April 19, 1950 (64 Stat. 47) is amended to read as follows:

42 USC 603.

"Sec. 9. Beginning with the quarter commencing July 1, 1950, the Secretary of the Treasury shall pay quarterly to each State (from sums made available for making payments to the States under section 403(a) of the Social Security Act) an amount, in addition to the amount prescribed to be paid to such State under such section, equal to 80 per centum of the total amount of contributions by the State toward expenditures during the preceding quarter by the State, under the State plan approved under the Social Security Act for aid to dependent children to Navajo and Hopi Indians residing within the boundaries of the State on reservations or on allotted or trust lands, with respect to whom payments are made to the State by the United States under section 403(a) of the Social Security Act, not counting so much of such expenditure to any individual for any month as exceeds the limitations prescribed in such section.'."

86 Stat. 1465.  
42 USC 1381.

(b) Notwithstanding the provisions of section 301 of the Social Security Amendments of 1972, the Secretary of Health, Education, and Welfare shall make payments to the 50 States and the District of Columbia after December 31, 1973, in accordance with the provisions of the Social Security Act as in effect prior to January 1, 1974, for (1) activities carried out through the close of December 31, 1973, under State plans approved under title I, X, XIV, or XVI, of such Act, and (2) administrative activities carried out after December 31, 1973, which such Secretary determines are necessary to bring to a close activities carried out under such State plans.

42 USC 301,  
1201, 1351,  
1381.

#### PROVISIONS RELATING TO UNEMPLOYMENT COMPENSATION

84 Stat. 709.  
26 USC 3304  
note.

SEC. 20. Section 203(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end



thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before April 1, 1974, and beginning after December 31, 1973 (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."

Approved December 31, 1973.

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LEGISLATIVE HISTORY:

HOUSE REPORT No. 93-627 (Comm. on Ways and Means).

CONGRESSIONAL RECORD, Vol. 119 (1973):

Nov. 13-15, considered and passed House.

Dec. 20, 21, considered and passed Senate, amended.

Dec. 21, House agreed to Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 10, No. 1 (1974):

Jan. 3, Presidential statement.

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